

March 19, 2007

VIA E-MAIL AND CERTIFIED MAIL
RETURN RECEIPT REQUESTED



Ms. Charlotte Jesneck
Branch Head
Inactive Hazardous Sites Branch
Division of Waste Management
NC Department of Environmental and Natural Resources
401 Oberlin Road, Suite 150
Raleigh, NC 27605-9603

RE: Notification of Inactive Hazardous Substance or Waste Disposal Site

Dear Ms. Jesneck:

Colbond Inc., owns property at 1301 Sand Hill Road, Enka, North Carolina. As reflected in the enclosed report, prepared by Froehling & Robertson ("F&R"), soils in a drainage feature on Colbond's property apparently spontaneously combusted during some recent soil excavation activities. Colbond subsequently asked F&R to sample a stockpile of soils removed from the drainage feature to determine the reason for the combustion. The chemical analysis of those soils revealed the presence of carbon disulfide. The concentrations of carbon disulfide in excavated soils is below EPA Region III risk based closure limits for industrial properties (100,000 mg/kg), but it exceeds cleanup levels that have been established by North Carolina, including the 72 mg/kg Soil Remediation Goal of the Inactive Hazardous Sites program. It is our understanding that these soils were excavated from an area located near a former carbon disulfide storage tank that predated Colbond's operations on the property.

Based on our understanding of the history of the property, it appears that Akzo America Inc., a former owner of the property, may be responsible for the carbon disulfide, though the extent of any contamination is currently unclear.

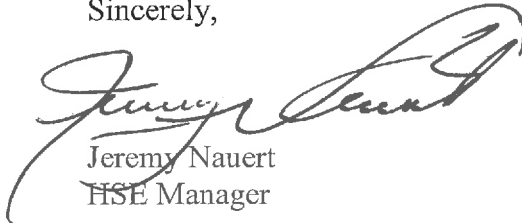
Even though Colbond is not responsible for the release of hazardous substances onto its property, it believes that North Carolina law may impose a reporting obligation on it pursuant to N.C.G.S. Chapter 130A, Article 8, Part 3 because it is the present owner of the property. Accordingly, we herewith notify your office of the contamination described herein.

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BASF Corporation, who sold the subject property to Colbond, is currently undertaking various remedial measures at the site. With BASF's concurrence, we suggest that any further regulatory action concerning this newly discovered issue be handled in conjunction with the existing issues under the oversight of Mr. Landon Davidson in DENR's Asheville office .

Please do not hesitate to contact the undersigned if you have questions.

Sincerely,



Jeremy Nauert
HSE Manager

Enclosure



FROEHLING & ROBERTSON, INC.
GEOTECHNICAL • ENVIRONMENTAL • MATERIALS
ENGINEERS • LABORATORIES
"OVER ONE HUNDRED YEARS OF SERVICE"
2505 HUTCHISON-McDONALD ROAD • CHARLOTTE, NC 28269
PHONE: (704) 596-2889 • FAX: (704) 596-3784
See us on the web: www.FandR.com

December 13, 2006

Mr. Pete Gold
837 Half Mile Branch Road
Crozet, Virginia 22930

Reference: Report of Laboratory Analyses (**DRAFT**)
Colbond Facility - 1301 Sand Hill Road
Enka, North Carolina
F&R File No.: H70-235E

Dear Mr. Gold:

As authorized by Mr. Jeremy Nauert of Colbond on November 20, 2006, Froehling & Robertson, Inc. (F&R) personnel obtained soil samples at the referenced site for laboratory analysis. The following information presents a summary of F&R's field activities, results of the laboratory analysis, and our recommendations based upon our field observations and review of the laboratory results.

F&R personnel met with Mr. Nauert on November 20, 2006 at the Colbond facility located in Enka, North Carolina. Mr. Nauert indicated that during soil excavation activities of a portion of a drainage feature (unnamed tributary of Hominy Creek) present along a portion of the western boundary of the referenced site, a fire occurred in one area of the soils apparently as a result of spontaneous combustion. After the contractor reported the incident to Colbond personnel, the contractor moved to another location and resumed excavation activities; at one point when the excavator started to remove a bucket of soil from the drainage feature, an explosion and flames reportedly erupted from the water. After this incident, it is our understanding that the contractor ceased work. Mr. Nauert informed F&R personnel that one possibility for these incidents was presence of carbon disulfide in the soil. Mr. Nauert also indicated a nearby area where tanks were previously located that stored carbon disulfide which was utilized in the one of the previous manufacturing operations at the facility.

F&R personnel obtained five soil samples from the perimeter of spoil stockpile located along the drainage feature. The soil samples were immediately placed into laboratory supplied containers and then placed on ice in an ice chest. In addition, a portion of each soil sample was placed into a plastic bag to obtain a "headspace" reading of volatile organic compounds utilizing a photo-ionization detector (PID). The headspace readings are summarized in Table 1.

TABLE 1 – SUMMARY OF HEADSPACE READINGS	
SOIL SAMPLE ID	PID READING, parts per million (ppm)
GS-1	215
GS-2	155
GS-3	270
GS-4	43
GS-5	35

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Soil samples were sent to F&R's laboratory in Richmond, Virginia via overnight courier. The laboratory was requested to analyze the samples for volatile organic compounds including carbon disulfide. Carbon disulfide was detected in the initial analysis of the soil samples, however, the concentrations exceeded the laboratory's anticipated quantitation limit. The samples were diluted and re-analyzed in order to determine the concentration of carbon disulfide in the soil samples. Based upon the results of the laboratory analysis, carbon disulfide was present above the method detection limit in four of the five soil samples and ranged from less than 1 milligram per kilogram (mg/kg) to in excess of 500 mg/kg. A summary of the carbon disulfide concentrations is presented in Table 2.

TABLE 2 – SUMMARY OF LABORATORY RESULTS	
SOIL SAMPLE ID	CARBON DISULFIDE CONCENTRATION, mg/kg
GS-1	61.8
GS-2	6.61
GS-3	151
GS-4	0.013
GS-5	BQL

Carbon disulfide (CS₂) is a clear, colorless liquid with a strong foul odor, is slightly soluble in water, and is miscible in alcohol, ether, benzene, and chloroform. CS₂ is considered toxic to humans and the primary route of exposure is inhalation of the vapors. A concentration of 30 ppm does not produce notable toxic effects, however, a fifteen minute exposure to 5000 ppm in air can be fatal to humans. CS₂ is a highly flammable liquid; the vapors are heavier than air and can travel a considerable distance to an ignition source and flash back. The auto-ignition temperature is 90°C (194°F). CS₂ is a dangerous fire hazard and the vapors form an explosive mixture with air within a wide range, 1.3 – 50.0 % by volume in air.

Based upon a review of the laboratory results, carbon disulfide is present in the soils excavated from the drainage feature. A determination of whether the soils excavated from the drainage feature should be considered a hazardous waste was not within the scope of F&R's services, however, we would recommend that this determination be made prior to the disposal of the excavated soils. F&R can assist with this determination if desired. Assuming the in-situ soils in the vicinity of the drainage feature have similar concentrations of carbon disulfide and the in-situ soils are not considered a hazardous waste, it appears that the concentrations of carbon disulfide would exceed the North Carolina Department of Environment and Natural Resources (NCDENR) soil to groundwater maximum contaminant concentration (S-W MSCC) of 4 mg/kg. Based upon this, F&R recommends that the results of the laboratory results be submitted to the Asheville Regional Office of NCDENR. F&R would also recommend that additional sampling and analysis of the in-situ soils be performed to evaluate the horizontal and vertical extent of the carbon disulfide. In addition, F&R would recommend sampling and analysis of the water in drainage feature at various locations be performed.

This report has been prepared for the exclusive use of Colbond and their authorized agents. These services have been provided in accordance with generally accepted environmental practices. No other warranty, expressed or implied, is made. We have not verified the completeness or accuracy of the information provided by others, unless noted otherwise. Our observations were based upon conditions readily visible at the site at the time of our visit and did not include any other service other than the



services described. If additional relevant information becomes available which may effect our conclusions and recommendations, we request the opportunity to review the information, and reserve the right to modify our letter, as warranted. F&R, by virtue of providing the services described herein, does not assume the responsibility of the person(s) in charge of the site, or otherwise undertake responsibility for reporting to any local, state, or federal public agencies any conditions at the site which may present a potential concern to public health, safety, or the environment. It is F&R's understanding that the client will notify appropriate regulatory agencies as required.

F&R appreciates the opportunity to provide this information. If you have additional questions regarding this information or additional information is needed, please contact our office.

Respectfully,
FROEHLING & ROBERTSON, INC.,

DRAFT

DeWitt Whitten, CHMM, REM, CES, REPA
Senior Environmental Professional

F:\Projects H63\H70-235E (Gold Letter (12-13-06)).doc

AREA OF EXCAVATED SOILS

USGS 10 km SW of Asheville, North Carolina, United States 01 Jul 1990

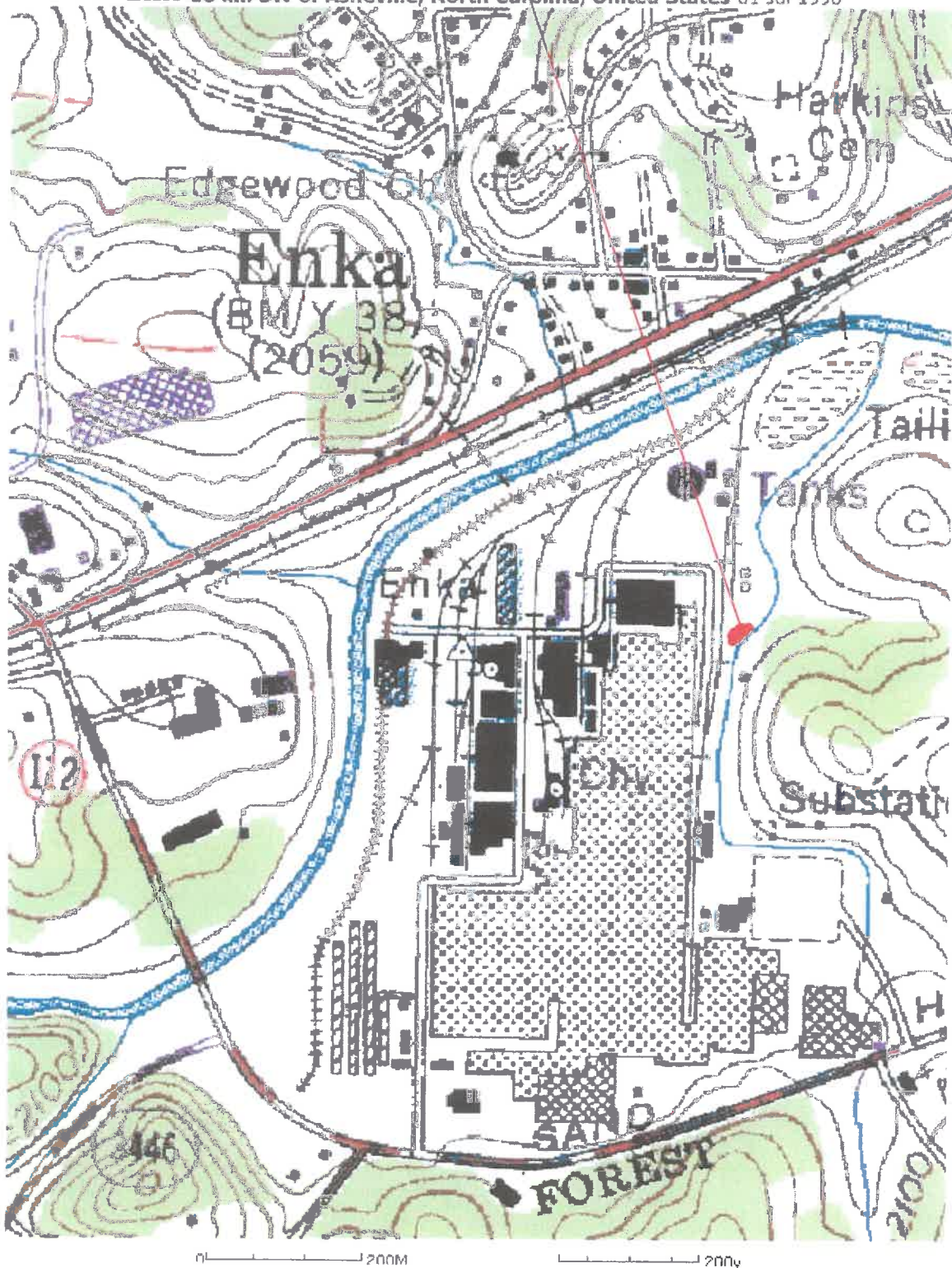


Image courtesy of the U S Geological Survey



Froehling & Robertson, Inc.
2505 Hutchison-McDonald Road
Charlotte, North Carolina 28269

TITLE:	SITE PLAN	DATE:	12-13-06	DRAWN BY:	DW
PROJECT NAME:	Sampling of Excavated Soils Colbond Facility - 1301 Sand Hill Road Enka, North Carolina	F&R PROJECT NO.:	H70-235E	CHECKED BY:	RDJ
PREPARED FOR:	COLBOND, INC.	APPROXIMATE SCALE:	As Shown	DRAWING NO.:	1